

Adult and Dislocated Worker Programs (WIA)
Job Training Unit, Employment Security Division
Department of Labor & Workforce Development Program 7

I. PROGRAM OBJECTIVES

The Adult and Dislocated Worker Program provides services to adult and dislocated workers in an effort to assist those individuals in obtaining and retaining employment.

Adult and Dislocated Worker Program funding is allocated through the AK Workforce Investment Office (AWIO) to Alaska's two workforce investment areas using a formula driven by need in each area. In the Anchorage Mat Su workforce investment area, the program policy and design is overseen by the Anchorage Mat Su Local Workforce Investment Board and administered by the Municipality of Anchorage (MOA). In the Balance of State (BOS) workforce investment area, the program policy and design is overseen by the Balance of State Local Workforce Investment Board and administered by the Job Training Unit in the Employment Security Division of the Department of Labor and Workforce Development. Because the Adult and Dislocated Worker programs use federal pass through money, audits of the administrative entities and subgrantees should be conducted in accordance with federal audit requirements.

Source of Governing Requirements

The Adult and Dislocated Worker Program is authorized by: Title I, Chapter 5 of the Workforce Investment Act (WIA) of 1998 (Pub. L. No. 105-220, 112 Stat. 936-1059; 29 USC 2811 et seq.). The regulations are at 20 CFR parts 660-671 and were published in the August 11, 2000, Federal Register (65 FR 49293).

II. PROGRAM PROCEDURES

The workforce investment system established under WIA emphasizes informed customer choice, system performance, customer satisfaction, and continuous improvement. The eligible provider process is part of the strategy for achieving these goals. A Local Board may not itself provide training services to adults and dislocated workers unless it receives a waiver from the Governor and meets the requirements of WIA section 117(f)(1) (29 USC 2832(f)(1)). Instead, Local Boards, in partnership with the State, identify training providers and programs whose performance qualifies them to receive WIA funds to train adults and dislocated workers. Participants select from the eligible providers and programs to meet their job training needs. Eligible participants receive core and intensive

services in consultation with case managers before determining if they need training to allow them to earn a self-sufficient income (20 CFR section 663.440).

The Department distributes funds to eligible providers, including municipalities, education agencies, non-profit organizations and private businesses and individuals to pay costs of adult and dislocated worker employment and training activities.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. ACTIVITIES ALLOWED - LOCAL ACTIVITIES - WIA, TITLE I, SUBTITLE B, CHAPTER 5 ADULT AND DISLOCATED WORKERS ACTIVITIES

1. Funds may be used at the local level to pay for core One-Stop system costs as well as for intensive services and training services for program participants.
2. Core Services - The following are core services (20 CFR section 662.240):
 - a. Eligibility determination for WIA services.
 - b. Outreach, intake, and orientation to available information and services.
 - c. Initial assessment of skill levels, aptitudes, abilities and supportive services needs.
 - d. Career counseling.
 - e. Job search and placement assistance.
 - f. Provision of employment statistics and job information.
 - g. Provision of performance information on eligible providers of training services, youth activities, and adult education.
 - h. Provision of information on local area performance.
 - i. Provision of information on availability of supportive services.
 - j. Provision of information regarding filing Unemployment Insurance (UI) claims.
 - k. Assistance in establishing eligibility for welfare to work activities and programs of financial assistance for training and education programs.
 - l. Follow-up services including counseling for individuals placed into unsubsidized employment for at least 12 months following placement (20 CFR section 663.150).

3. Intensive Services - The following are intensive services (29 USC 2864(d)(3); 20 CFR section 663.200):
 - a. Specialized assessments including diagnostic testing, in-depth interviewing, and evaluation.
 - b. Development of employment plan.
 - c. Group counseling.
 - d. Individual counseling and career planning.
 - e. Case management.
 - f. Pre-vocational services, including workplace behavior skills training.
4. Training Services - The following are training services (29 USC 2864(d)(4); 20 CFR section 663.300):
 - a. Occupational training.
 - b. On the Job Training (OJT).
 - c. Skill upgrading.
 - d. Entrepreneurial training.
 - e. Job readiness training.
 - f. Adult literacy.
 - g. Customized training (Customized training is designed to meet the special needs of an employer. Such employers are required to pay at least fifty percent of the training (20 CFR section 663.715)).
5. At the discretion of the State and local Boards the following services may be provided (29 USC 2864(e)):
 - a. Customized screening and referral.
 - b. Supportive services, including needs related payments.

B. UNALLOWED ACTIVITIES - ALL PROGRAM CATEGORIES

WIA title I funds may not be used for the following activities:

1. Construction or purchase of facilities or buildings (20 CFR 667.260), with the following exceptions:
 - a. Providing physical and programmatic accessibility and reasonable accommodation, as required under section 504 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as amended (20 CFR 667.260(a)).
 - b. Repairs, renovations, alterations and capital improvements of SESA real property and JTPA-owned property which is transferred to WIA title I programs (20 CFR 667.260(b)).
 - c. Disaster relief employment on projects for demolition, cleaning, repair, renovation, and reconstruction of damaged and destroyed

structures, facilities, and lands located within a disaster area (WIA sec.173(d); 29 USC 2918(d); 20 CFR 667.260(d)).

2. Employment generating activities, economic development activities, investment in revolving loan funds, capitalization of businesses, investment in contract bidding resource centers, and similar activities not directly related to training for eligible individuals, with the exception of employer outreach and job development activities, which are considered directly related to training for eligible individuals (WIA section 181(e); 29 USC 2931(e); 20 CFR 667.262):
3. The employment or training of participants in sectarian activities. Participants shall not be employed in the construction, operation, or maintenance of a facility that is or will be used for sectarian instruction or as a place for religious worship. However, WIA funds may be used for the maintenance of a facility that is not primarily or inherently devoted to sectarian instruction or religious worship if the organization operating the facility is part of a program or activity providing services to WIA participants. (WIA section 188(a)(3); 29 USC 2938(a)(3); 20 CFR 667.266).
4. Encouraging or inducing the relocation of a business or part of a business from any location in the United States if the relocation results in any employee losing his or her job at the original location (20 CFR 667.268).
5. Providing customized training, skill training, or on-the-job training or company specific assessments of job applicants or employees of a business or a part of a business that has relocated from any location in the United States, until the company has operated at that location for 120 days, if the relocation resulted in any employee losing his or her job at the original location (20 CFR 667.268(a)).
6. Paying the wages of incumbent employees during their participation in economic development activities provided through a Statewide workforce investment system (WIA sec.181(b)(1); 29 USC 2931(b)(1); 20 CFR section 667.264(a)(1)).
7. Public service employment, except to provide disaster relief employment, as specifically authorized in section 173(d) of WIA (WIA sec. 195(10); 29 USC 2945(10); 20 CFR 667.264(a)(2)).

Suggested Audit Procedures

- Review guidelines above for allowable as-well-as unallowable activities.
- Test expenditure and related records for reasonableness and consistency with allowable activities.
- Test expenditures for accuracy and support.

C. ELIGIBILITY FOR INDIVIDUALS

1. All Program Categories

- a. Selective Service - No participant may be in violation of section 3 of the Military Selective Service Act (50 USC App. 453) by not presenting and submitting to registration under that Act (29 USC 2939(h)).
- b. Citizenship - WIA participants must be citizens and nationals of the United States, lawfully admitted permanent resident aliens, refugees, assails, and parolees, and other immigrants authorized by the Attorney General to work in the United States (29 USC 2938(a)(5)).

2. Subtitle B Statewide and Local Workforce Investment Systems (Adult and Dislocated Worker Employment and Training Activities)

- a. An adult must be 18 years of age or older.
- b. A dislocated worker means an individual who meets the definition in 29 USC 2801(9).
- c. A dislocated homemaker means an individual who meets the definition in 29 USC 2801(10).
- d. Before receiving training services, an adult or dislocated worker must have received at least one core and one intensive service, been determined to be unable to obtain or retain employment, which allows them to earn a self-sufficient wage, through core and intensive services, and met all of the following requirements (20 CFR sections 663.240 and 663.310):
 1. (Had an interview, evaluation, or assessment and determined to be in need of training services and have the skills and qualifications to successfully complete the selected training program.
 2. Selected a training service linked to the employment opportunities.
 3. Was unable to obtain available grant assistance from other sources, including other Federal programs, to pay the costs of the training.

Suggested Audit Procedures

- Review requirements for eligibility.

- Review selected participant files and determine the appropriateness of eligibility determinations.
- Review and assess the grantee's procedures for adequately verifying the eligibility of applicants.
- Review and assess the grantee's procedures for periodically determining continued eligibility and level of participation.
- Review and assess the grantee's procedures for terminating services to clients determined to be ineligible.
- Review and assess the grantee's procedures for denying training services.

D. EQUIPMENT AND REAL PROPERTY MANAGEMENT

Recipients and subrecipients may permit employers to use WIA-funded, local area services, facilities, or equipment on a fee-for-service basis, to provide employment and training activities to incumbent workers if this does not interfere with utilization by eligible participants and the income generated from such fees is treated as program income (29 USC 2945(13); 20 CFR section 667.200(a)(8)).

Suggested Audit Procedures

- Determine if the above activities occur and if so do they result in noncompliance.
- Determine if income generated by these activities is treated as program income as required.

E. MATCHING, LEVEL OF EFFORT, EARMARKING

Compliance Requirement

The financial assistance agreement will specify any matching, level of effort or earmarking requirements.

Suggested Audit Procedure

- Review the financial assistance agreements, identify any applicable requirements, and verify that the requirement was met and in the manner specified.

F. REPORTING

Subrecipients (e.g., local boards) are generally required to report financial information to the pass-through entity (e.g., State). These reports should be tested during audits of subrecipients.

Compliance Requirement

The financial assistance agreement will specify the reporting requirements.

Suggested Audit Procedures

- Obtain copies of required reports and determine completeness and timeliness of submission.
- Trace data in selected reports to supporting documentation.

G. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

The financial assistance agreement will specify any special tests and provisions.

Suggested Audit Procedures

- Review the financial assistance agreement, identify any special tests and provisions and verify that the requirements were met and in the manner specified.

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